

**RESOLUTION**  
**ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES**  
**FOR THE CALENDAR YEAR 2024**

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The Board of Directors of SilverStone Metropolitan District No. 2 (the “**Board**”), Town of Frederick, Weld County, Colorado (the “**District**”), held a regular meeting, via teleconference on October 26, 2023, at 9:00 AM.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with §29-1-106, C.R.S.

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NOTICE AS TO PROPOSED 2024 BUDGET

**NOTICE OF PUBLIC HEARING ON THE PROPOSED 2024 BUDGETS  
AND**

**NOTICE OF PUBLIC HEARING ON THE AMENDED 2023 BUDGETS**

The Boards of Directors (collectively the "Boards") of the SILVERSTONE METROPOLITAN DISTRICT NOS. 1-2 (collectively the "Districts"), will hold a public hearing via teleconference on October 26, 2023, at 9:00 PM, to consider adoption of the Districts' proposed 2024 budgets (the "Proposed Budgets"), and, if necessary, adoption of an amendment to the 2023 budgets (the "Amended Budgets"). This public hearing may be joined using the following teleconference information:

Zoom Meeting Link:  
<https://us06web.zoom.us/j/82782522624?pwd=Uuu9LwHZrFJwV1EwpTn9InzZ0xh4HeB.1>  
Meeting ID: 827 8252 2624  
Passcode: 713105  
Call In Numbers: 1(719) 359-4580 or 1(720) 707-2699

The Proposed Budgets and Amended Budgets are available for inspection by the public at the offices of CliftonLarsonAllen, LLP, 8390 East Crescent Parkway, Suite 300, Greenwood Village, CO 80111. Any interested elector of the Districts may file any objections to the Proposed Budgets and Amended Budgets at any time prior to the final adoption of the Proposed Budgets or the Amended Budgets by the Boards.

The agenda for any meeting may be obtained at <https://www.silverstonemetrodistricts.org/> or by calling (303) 858-1800.

BY ORDER OF THE BOARDS OF DIRECTORS:

SILVERSTONE METROPOLITAN DISTRICT NOS. 1-2, quasi-municipal corporations and political subdivisions of the State of Colorado

/s/ WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

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**Prairie Mountain Media, LLC**

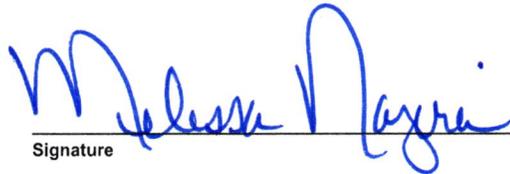
**PUBLISHER'S AFFIDAVIT**

**County of Boulder  
State of Colorado**

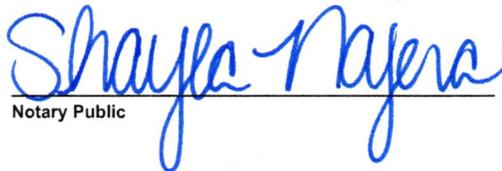
The undersigned, Agent, being first duly sworn under oath, states and affirms as follows:

1. He/she is the legal Advertising Reviewer of Prairie Mountain Media LLC, publisher of the *Longmont Times Call*.
2. The *Longmont Times Call* is a newspaper of general circulation that has been published continuously and without interruption for at least fifty-two weeks in Boulder County and meets the legal requisites for a legal newspaper under Colo. Rev. Stat. 24-70-103.
3. The notice that is attached hereto is a true copy, published in the *Longmont Times Call* in Boulder County on the following date(s):

Oct 13, 2023

  
Signature

Subscribed and sworn to me before me this  
13th day of October 2023.

  
Notary Public

(SEAL)

SHAYLA NAJERA  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20174031965  
MY COMMISSION EXPIRES July 31, 2025

Account: 1051175  
Ad Number: 2010093  
Fee: \$35.67

WHEREAS, the Board has designated its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held and interested electors were given the opportunity to register their protest to the proposed budget prior to the adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2024. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2024 budget year, there is hereby levied a tax of 66.035 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2024 budget year, there is hereby levied a tax of

0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2024 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 7. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Weld County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 8. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 9. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 10. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

*[Remainder of Page Intentionally Left Blank]*

ADOPTED OCTOBER 26, 2023.

**DISTRICT:**

**SILVERSTONE METROPOLITAN DISTRICT NO. 2**, a quasi-municipal corporation and political subdivision of the State of Colorado

By:   
Jon Lee (Dec 1, 2023 18:18 MST)  
\_\_\_\_\_  
Officer of the District

Attest:

By:   
\_\_\_\_\_

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law



\_\_\_\_\_  
General Counsel to the District

STATE OF COLORADO  
COUNTY OF WELD  
SILVERSTONE METROPOLITAN DISTRICT NO. 2

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held via teleconference on October 26, 2023, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 26th day of October, 2023.

  
\_\_\_\_\_

**EXHIBIT A**  
**BUDGET DOCUMENT**  
**BUDGET MESSAGE**

**SILVERSTONE METROPOLITAN DISTRICT NO. 2**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2024**

**SILVERSTONE METROPOLITAN DISTRICT NO. 2**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2024 BUDGET**  
**WITH 2022 ACTUAL AND 2023 ESTIMATED**  
**For the Years Ended and Ending December 31,**

1/24/24

ACTUAL	ESTIMATED	BUDGET
2022	2023	2024

**ASSESSED VALUATION**

Residential	\$ 905,000	\$ 5,575,530	\$ 7,736,060
Commercial	70	7,800	33,400
Agricultural	14,350	1,000	950
State assessed	320,130	456,580	128,920
Vacant land	1,320,010	539,400	941,260
Oil and gas	132,990	181,520	532,750
Certified Assessed Value	\$ 2,692,550	\$ 6,761,830	\$ 9,373,340

**MILL LEVY**

General	55.663	57.220	66.035
Total mill levy	55.663	57.220	66.035

**PROPERTY TAXES**

General	\$ 149,875	\$ 386,912	\$ 618,969
Levied property taxes	149,875	386,912	618,969
Adjustments to actual/rounding	4	-	-
Refunds and abatements	-	(4,295)	-
Budgeted property taxes	\$ 149,879	\$ 382,617	\$ 618,969

**BUDGETED PROPERTY TAXES**

General	\$ 149,879	\$ 382,617	\$ 618,969
	\$ 149,879	\$ 382,617	\$ 618,969

**SILVERSTONE METROPOLITAN DISTRICT NO. 2  
GENERAL FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

1/24/24

	ACTUAL 2022	ESTIMATED 2023	BUDGET 2024
BEGINNING FUND BALANCES	\$ 53,373	\$ 10,119	\$ 20,632
REVENUES			
Property taxes	149,879	382,617	618,969
Specific ownership taxes	8,870	16,700	24,759
Interest income	719	4,500	4,000
Developer advance	365,000	1,526,222	-
Transfers from Silverstone MD No. 1	62,738	25,864	26,150
Total revenues	<u>587,206</u>	<u>1,955,903</u>	<u>673,878</u>
Total funds available	<u>640,579</u>	<u>1,966,022</u>	<u>694,510</u>
EXPENDITURES			
General and administrative			
Accounting	7,900	10,000	12,500
Auditing	1,916	9,975	6,500
County Treasurer's fee	2,250	5,804	9,285
Dues and membership	-	483	550
Insurance	1,906	1,906	2,100
Legal	-	2,500	2,500
Miscellaneous	988	1,000	2,000
Contingency	-	-	2,065
Transfers to Silverstone MD No. 1	309,250	1,611,222	160,000
Debt service			
Bond Interest Series 2018A	302,500	302,500	302,500
Bond issue costs	3,750	-	-
Total expenditures	<u>630,460</u>	<u>1,945,390</u>	<u>500,000</u>
Total expenditures and transfers out requiring appropriation	<u>630,460</u>	<u>1,945,390</u>	<u>500,000</u>
ENDING FUND BALANCES	<u>\$ 10,119</u>	<u>\$ 20,632</u>	<u>\$ 194,510</u>
EMERGENCY RESERVE	\$ 6,700	\$ 12,900	\$ 20,300
AVAILABLE FOR OPERATIONS	3,419	7,732	174,210
TOTAL RESERVE	<u>\$ 10,119</u>	<u>\$ 20,632</u>	<u>\$ 194,510</u>

No assurance provided. See summary of significant assumptions.

**SILVERSTONE METROPOLITAN DISTRICT NO. 2  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

In accordance with its Service Plan, Silverstone Metropolitan District No. 2, formerly known as Miner’s Village Metropolitan District, (the “District”) was formed to finance the necessary public improvements to be constructed on the property known as “Silverstone”, located in Frederick, Colorado. Such public improvements include, but are not limited to, storm drainage, water, sewer, utilities, streets, traffic and safety controls, and parks and recreation improvements.

The Service Plan provides the ability for the District to impose a maximum mill levy for the combined debt service and operational and maintenance requirements of the District. The Service Plan also provides a combined new money revenue and general obligation debt limit of \$50,000,000 for Silverstone Metropolitan District Nos. 1, 2 and 3, exclusive of surety requirements, but inclusive of organizational costs, financing costs and costs of construction and operation of public infrastructure.

The District has no employees and all operations and administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

**Revenues**

**Property Taxes**

Property taxes are levied by the District’s Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer’s election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

<b>Category</b>	<b>Rate</b>	<b>Category</b>	<b>Rate</b>	<b>Actual Value Reduction</b>	<b>Amount</b>
Single-Family Residential	6.70%	Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%	Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%	Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%	Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%	State Assessed	27.90%	Lodging	\$30,000
		Oil & Gas Production	87.50%		

**SILVERSTONE METROPOLITAN DISTRICT NO. 2  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues – (continued)**

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 4% of the property taxes collected.

**Interest Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4%.

**Intergovernmental Transfers**

The District anticipates transfers from Silverstone Metropolitan District No. 1 to fund general and administrative costs of the District.

**Expenditures**

**General and Administrative**

General and administrative expenditures have been estimated based upon the level of expenditures incurred by the District in prior years.

**Intergovernmental Transfers**

The District anticipates transfers to Silverstone Metropolitan District No. 1 to fund general, administrative, and capital outlay costs of Silverstone Metropolitan District No. 1.

**Debt Service**

Interest payments in 2024 are provided based on the debt amortization schedule from the 2018A Bonds (discussed under Debt and Leases).

**Debt and Leases**

In 2019, the Board of Directors for the District authorized the issuance of Limited Tax Revenue Bonds, Series 2018A ("2018A Bonds") in an aggregate principal amount not to exceed \$5,500,000 for the purpose of (i) defraying the cost of all or a portion of the capital improvements; (ii) funding capitalized interest on the Bonds for a period of three year; and (iii) paying the costs of issuance of the Bonds. The Bonds are payable solely from ad valorem property tax revenues and specific ownership tax revenues collected by the District.

**SILVERSTONE METROPOLITAN DISTRICT NO. 2  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases – (continued)**

Also in 2019, the Board authorized the issuance of the Subordinate Limited Tax Revenue Notes, Series 2018B (“2018B Notes”) to Silverstone Development Company (the “Developer”) in an aggregate amount equal to the amount expended by the Developer, but not to exceed \$11,000,000 for the purpose of repaying Developer advances and/or for funding Capital Improvements in District Nos. 1, 2 and 3.

The District has no leases.

**Reserves**

**Emergency Reserve**

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending as defined under TABOR.

**This information is an integral part of the accompanying budget.**

**SILVERSTONE METROPOLITAN DISTRICT NO. 2  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

<b>Bonds and Interest Maturing in the Year Ending December 31,</b>	<b>\$5,500,000 Limited Tax Revenue Bonds Series 2018A Interest Rate of 5.50% Payable June 1 and December 1 Principal Due December 1</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ -	\$ 302,500	\$ 302,500
2025	-	302,500	302,500
2026	-	302,500	302,500
2027	5,500,000	277,292	5,777,292
	<b>\$ 5,500,000</b>	<b>\$ 1,184,792</b>	<b>\$ 6,684,792</b>